



DIVISION OF  
ENFORCEMENT

UNITED STATES  
**SECURITIES AND EXCHANGE COMMISSION**  
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September 28, 2011

The Honorable Dora L. Irizarry  
United States District Court  
225 Cadman Plaza East  
Brooklyn, New York 11201

Re: *Securities and Exchange Commission v. Spongetech Delivery Systems, et al.*,  
10-cv-2031-DLI-JMA (E.D.N.Y.)

Your Honor:

Plaintiff U.S. Securities and Exchange Commission ("the Commission") writes with respect to the Court's Order dated September 13, 2011 [Dkt. 175] ordering an asset freeze as to defendant Steven Y. Moskowitz. The Order directed the parties to agree on a monthly allowance of reasonable and necessary living expenses for Mr. Moskowitz, and to submit a proposed Order to the Court. *Id.* at paragraphs 4 and 5.

We write to inform the Court that the parties have been unable to agree on a monthly living allowance for Mr. Moskowitz. Mr. Moskowitz's counsel submitted a schedule indicating monthly living expenses of \$27,850 per month. The Commission objected to these expenses as excessive, and in response, drafted a proposed Order that provides for a monthly allowance in the amount of \$5072, representing \$2272 for mortgage and real estate taxes, and \$2800 for household and personal expenses. Counsel for Mr. Moskowitz has countered at \$15,000, but no less, and the Commission cannot agree to this amount.

As the parties have been unable to resolve this issue, we respectfully request the assistance of Your Honor or the Magistrate Judge.

Respectfully submitted,

A handwritten signature of Paul W. Kisslinger in black ink.

Paul W. Kisslinger

Cc: Counsel of record by ECF, and U.S.  
Mail for defendants Speranza and RM  
Enterprises)